

From: Paul Meegan [REDACTED]@epicgames.com>
Sent: Sat, 24 Mar 2018 10:15:04 +0000 (UTC)
To: Tim Sweeney <[REDACTED]@epicgames.com>; Sergey Galyonkin [REDACTED]@epicgames.com>; Joe Kreiner [REDACTED]@epicgames.com>; Chris Dyl [REDACTED]@epicgames.com>; Jay Wilbur [REDACTED]@epicgames.com>; Mark Rein [REDACTED]@epicgames.com>; Danny Block [REDACTED]@epicgames.com>; Daniel Vogel [REDACTED]@epicgames.com>; Tim Johnson [REDACTED]@epicgames.com>
Subject: Fwd: Congratulations on Fortnite & Epic Games Launcher

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Interesting intel from Steve Allison.

Apparently there is a company called Robot Cache that has an interesting platform play (block chain 95%/5% platform, with secondary digital sales). If Steve's information is correct, they have already signed up many of the major publishers.

If true, it confirms there is appetite for a new model. Also, could be disruptive to us, and could be an acquisition target (for us or a competitor).

Has anyone heard anything? Let's discuss this coming week.

TJ - I will be having a call with him on Monday or Tuesday to see if there might be a fit worth exploring.

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From: Allison Steve [REDACTED]@yahoo.com>
Date: Fri, Mar 23, 2018 at 12:50 PM
Subject: Congratulations on Fortnite & Epic Games Launcher
To: Paul Meegan [REDACTED]@epicgames.com>

Hi Paul,

Dropping you this note out of the blue to say I'm so excited for you guys and how Fortnite is blowing up pop culture. I've been in places like Panera (last weekend) here in Walnut Creek and overheard a table full of moms and 12-14 year daughters talking about Fornite - and it made me smile because that shows the reach. Given the history I have with the early days of Epic and my affinity for you all it makes me happy to see that success come to the best people with a consistent vision.

I'm in the middle of potentially looking at moving on from Telltale after almost 8.5 years. What happened to Kevin Bruner (and unfolding in real time when we spoke years back) is pretty discouraging re: how he was treated, and even recently how he's been portrayed - pouring my soul into the reset here after living through that...not sure I want to... I'm conflicted because I love TTG, what we do - and I do like Pete his replacement very much - but I'm looking. There's a few searches I'm engaged in and pretty far down the road on a couple of these (FoxNext CMO, Big Fish President and an NDAd senior exec role @ Apple) as well as spending time with Kevin Bruner on potentially co-founding a narrative company that pushes forward on the unique expertise many of us have in the genre that we all helped to create over the past few years. I also may just stay @ TTG as things are stabilizing and we're moving forward in all the right ways but it's a turn around after a reset that carries some pain points.

That said - I'm dropping you this note completely out of the blue on the topic of your plans for the Epic Games launcher. I remember the vision was described when we last talked as it evolving into the ultimate Unreal engine based games store. Fortnite blowing up definitely has created that potential Valve-Counterstrike moment at a scale that is much bigger than when that gave birth to what is now Steam and their 80-95% share of the entire PC digital market (depending on genre). Valve is taking 30% of 85-95% of the paid games PC market, they do a great job and fairly effortlessly are bringing in \$4+bln/year.

There are a few companies coming trying to challenge their position by appealing to publishers disdain/concern for the recent title onslaught added to Steam as they grow from 500 titles 5 years ago to over 15,000 today - even EA via Origin is on the road opening the doors to 3rd party publishers anew trying to grow Origin by promising to keep title counts low and discoverability high. Robot Cache is in the market pitching a ground up new PC market place based on blockchain tech offering publishers 95%-5% splits on new game sales and for the first time through legal re-licensing reselling digital PC games for 70/30 giving publishers two bites of the apple and a disruptive new model. We are jumping in with them (Robot Cache is founded by a guy who used to work for me) and they are close to having the top 20 PC publishers plus major indies in the revenue generating genres in Early Access like survival with them when they launch late this year (excluding EA, ATVI and Ubi).

Steam is pretty ripe for disruption - if you wanted to take 20-30% paid digital PC market share you could like nobody else can. It doesn't take much to get the rest of the PC development and publishing world to want to look to a new focused solution more because of the flood of titles to Steam that is creating that AppStore like issue of discovery and regressing per title revenue than the 70/30 model. That said someone with scale (Robot Cache doesn't have that and won't for years if they end up being successful) who offers scale, reach, better discovery AND a new model can eat into Steam super rapidly. (I know you know this) With the launcher in as many hands as it is now - it can quickly

evolve into a real challenger in the PC market. A model that was 80/20 for all games - and maybe 90/10 or 95/5 for Unreal engine based games paired with the scale you've just hit would immediately disrupt the entire industry.

I'm sure you're already working on this and have been for some time. If you need help or would be interested talking about it with me involved, I'd be way into it. I'm only writing this as a huge shot in the dark before I make any decisions that will take me off on another journey for a few years.

I hope you're well. Congratulations on what you guys have just done! At the minimum please say hello to Mark, Jay, Tim and pass along that I'm cheering you guys on.

Steve